

Message Text

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PAGE 01 STATE 139822
ORIGIN COME-00

INFO OCT-01 AF-10 ARA-14 EUR-12 EA-12 NEA-11 ISO-00
EB-08 SIG-03 AGRE-00 STR-07 AID-05 CIAE-00 FRB-01
INR-10 NSAE-00 ICA-20 TRSE-00 XMB-04 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 /132 R

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APPROVED BY EB/OCA/CD:WERAU
COM:OIER:FLHALL
EUR/RPE:RLAMANTIA (INFO)
NEA/RA:RPRICKETT (INFO)
EA/EP:DSTEBBING (INFO)
AF/EPS:LMWHITE (INFO)
ARA/ECP:WSKOK (INFO)

-----053332 021806Z /46

R 021553Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY OTTAWA
AMEMBASSY MEXICO
AMEMBASSY BRASILIA
AMEMBASSY CARACAS
AMEMBASSY BONN
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY THE HAGUE
AMEMBASSY ROME
AMEMBASSY BRUSSELS
AMEMBASSY MADRID
AMEMBASSY STOCKHOLM
AMEMBASSY BERN
AMEMBASSY TEHRAN
AMEMBASSY JIDDA
AMEMBASSY TEL AVIV
AMEMBASSY LAGOS
AMEMBASSY NEW DELHI
AMEMBASSY TOKYO
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AMEMBASSY SEOUL
AMCONSUL HONG KONG
AMEMBASSY TAIPEI
AMEMBASSY MANILA
AMEMBASSY JAKARTA
AMEMBASSY CANBERRA

UNCLAS STATE 139822

E.O. 11652: N/A

TAGS: ETRD, XG, XM, XF, NI, XC, XE, AS

SUBJECT: U.S. FOREIGN TRADE REPORT FOR APRIL 1978

MONTH OF APRIL

THE U.S. MERCHANDISE TRADE DEFICIT INCREASED MODERATELY IN APRIL AS BOTH EXPORTS AND IMPORTS REGISTERED NEARLY EQUAL AND FAIRLY SUBSTANTIAL INCREASES. EXPORTS CLIMBED TO A RECORD 11,635 MILLION DOLLARS, 6 1/2 PERCENT HIGHER THAN THE PRECEDING MONTH'S TOTAL. IMPORTS ALSO ADVANCED TO A RECORD LEVEL OF 14,496 MILLION DOLLARS F.A.S. (15,436 MILLION DOLLARS C.I.F.), SLIGHTLY ABOVE THE PREVIOUS RECORD POSTED IN FEBRUARY, AND 6 PERCENT GREATER THAN IN MARCH. THE F.A.S. TRADE DEFICIT WAS 2,862 MILLION DOLLARS (3,801 MILLION DOLLARS C.I.F.) COMPARED TO A MONTHLY AVERAGE DEFICIT IN THE FIRST QUARTER OF 3,224 MILLION DOLLARS. IN 1977, THE TRADE DEFICIT AVERAGED 2,208 MILLION DOLLARS PER MONTH.

AGRICULTURAL PRODUCTS CONTRIBUTED PARTICULARLY TO THE APRIL EXPORT RISE, REFLECTING AN INCREASE IN FOREIGN
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DEMAND WHICH HAS BOOSTED THE VOLUME, AS WELL AS PRICES,

OF DELIVERIES IN RECENT MONTHS. THE EARLIER THAN NORMAL OPENING OF GREAT LAKES SHIPPING ACTIVITY, WHICH HELPED ALLEVIATE INLAND TRANSPORTATION BOTTLENECKS, WAS ALSO A FACTOR IN THE SIZABLE INCREASES OF CORN, WHEAT, AND SOY-BEAN EXPORTS. COAL SHIPMENTS, WHICH BEGAN TO RECOVER FROM THE EFFECTS OF THE MINERS' STRIKE THAT ENDED IN LATE MARCH, ROSE STEEPLY, ALTHOUGH THE TOTAL REMAINED WELL BELOW NORMAL LEVELS. AIRCRAFT DELIVERIES CLIMBED FOR THE SECOND CONSECUTIVE MONTH AND NONMONETARY GOLD EXPORTS, WHICH FLUCTUATE ERRATICALLY FROM MONTH TO MONTH, SHOWED A HUGE INCREASE, ADDING SUBSTANTIALITY TO THE OVER-ALL RISE.

IMPORTS IN APRIL DERIVED CONSIDERABLE STRENGTH FROM BUOYANT RECEIPTS OF PETROLEUM WHICH, ON A SEASONALLY ADJUSTED BASIS, ROSE BY ALMOST 0.5 BILLION DOLLARS AFTER DECLINING SHARPLY IN THE PRECEDING MONTH. A LARGE EXPANSION WAS ALSO RECORDED FOR STEEL IMPORTS, PROBABLY REPRESENTING A CONTINUED HEAVY INFLUX OF STEEL PRODUCTS PRECIPITATED BY THE IMPOSITION OF THE TRIGGER PRICE

MECHANISM. IMPORTS UNDER FIXED PRICE CONTRACTS WERE EXEMPTED FROM THIS PROGRAM UNTIL APRIL 30. ADDITIONAL INCREASES WERE POSTED FOR AUTOMOBILES, TV SETS, COFFEE, AND ALCOHOLIC BEVERAGES. THESE ADVANCES WERE PARTLY COUNTERBALANCED BY DECLINES IN GEM DIAMONDS, REFINED GOLD BULLION, COCOA, AND SUGAR.

YEAR TO DATE

IN JANUARY-APRIL, U.S. EXPORTS WERE RUNNING AT AN ANNUAL RATE OF 127.5 BILLION DOLLARS, 7 PERCENT ABOVE THE LEVEL IN THE SAME PERIOD A YEAR AGO. IMPORTS CLIMBED BY 16 1/2 PERCENT TO A RATE OF 165.0 BILLION DOLLARS F.A.S. (175.6 BILLION DOLLARS C.I.F.). THE F.A.S. TRADE DEFICIT WAS AT UNCLASSIFIED

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AN ANNUAL RATE OF 37.6 BILLION DOLLARS (48.2 BILLION DOLLARS C.I.F.) COMPARED TO 26.5 BILLION DOLLARS LAST YEAR.

THE MODERATE RISE IN EXPORTS IN JANUARY-APRIL REFLECTED SUBSTANTIAL SHIFTS AMONG MAJOR COMMODITIES. MACHINERY EXPORTS ADVANCED BY 7 PERCENT OVER THE SAME MONTHS OF 1977 DESPITE LARGE DECLINES IN SALES OF EXCAVATING EQUIPMENT AND POWER GENERATING MACHINERY. DELIVERIES OF COMPUTERS AND OTHER BUSINESS MACHINES, NONFARM TRACTORS, AND OIL DRILLING EQUIPMENT SCORED LARGE INCREASES. AUTOMOTIVE EXPORTS ADVANCED AGAIN, REFLECTING RISING

SHIPMENTS OF TRUCKS AND MOTOR VEHICLE PARTS WHICH MORE THAN OFFSET A SUBSTANTIAL DECREASE IN NEW CAR DELIVERIES TO CANADA. EXPORTS OF MILITARY AIRCRAFT ADVANCED SHARPLY, BUT DELIVERIES OF CIVILIAN AIRCRAFT CONTINUED TO DROP. AS A RESULT OF THE MINERS' STRIKE, EXPORTS OF COAL DECLINED BY NEARLY 0.5 BILLION DOLLARS. STEEL EXPORTS WERE ALSO DOWN SUBSTANTIALLY IN VALUE, BUT CHEMICAL SHIPMENTS ROSE SLIGHTLY. THE 7 PERCENT RISE IN AGRICULTURAL EXPORTS MAINLY REFLECTED A STRONG REBOUND IN WHEAT DELIVERIES AND SMALLER ADVANCES IN TOBACCO, RICE, MEAT, FRUIT, AND VEGETABLE SHIPMENTS.

THE CONTINUED STRONG EXPANSION IN IMPORTS SO FAR THIS YEAR OCCURRED EVEN THOUGH PETROLEUM IMPORTS REGISTERED A SUBSTANTIAL DECLINE. VALUED AT 13.0 BILLION DOLLARS IN JANUARY-APRIL (NOT INCLUDING 1.0 BILLION DOLLARS OF OIL IMPORTS INTO THE VIRGIN ISLANDS), PETROLEUM PURCHASES WERE 13 PERCENT LOWER THAN IN THE FIRST FOUR MONTHS OF LAST YEAR AS A RESULT OF A SIZABLE DROP IN VOLUME AND ONLY A SMALL RISE IN THE AVERAGE PRICE. U.S. DEMAND WAS UNCLASSIFIED

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HIGHER DUE TO THE LONGER COLD WINTER WEATHER THIS YEAR THAN LAST, BUT OIL IMPORT VOLUME DROPPED FROM 9.5 MILLION BARRELS PER DAY (MBD) TO ONLY 8.1 MBD. THIS DECLINE WAS POSSIBLE BECAUSE OF SUBSTANTIALLY HIGHER DOMESTIC CRUDE OIL PRODUCTION AND A LARGE DRAWDOWN OF THE HUGE IN-VENTORIES BUILT UP LAST YEAR. CONSUMER GOODS ARRIVALS LED THE ADVANCE IN NONPETROLEUM IMPORTS, AS ENTRIES OF AUTOS FROM JAPAN AND WESTERN EUROPE ACCELERATED, THEIR VALUE FURTHER BOOSTED BY THE APPRECIATION OF FOREIGN CURRENCIES. CLOTHING AND FOOTWEAR RECEIPTS WERE ALSO BUOYANT.

MACHINERY IMPORTS INCREASED BY MORE THAN TWO-FIFTHS IN VALUE OVER JANUARY-APRIL 1977, DOUBLE LAST YEAR'S RATE OF GROWTH. PACED BY A MORE THAN 1.0 BILLION DOLLAR JUMP IN STEEL IMPORTS, PURCHASES OF NON-OIL FOREIGN INDUSTRIAL MATERIALS ADVANCED BRISKLY. ARRIVALS OF NONFERROUS METALS, LUMBER, AND CHEMICALS ALSO ADVANCED. FOOD AND BEVERAGE IMPORTS EDGED UP ONLY MODERATELY, AS LARGE DECLINES IN COFFEE AND SUGAR, DUE PARTIALLY TO LOWER PRICES, WERE COUNTERBALANCED BY SUBSTANTIALLY INCREASED

ALCOHOLIC BEVERAGE, MEAT, AND COCOA ARRIVALS. CHRISTOPHER

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INFO OCT-01 EB-08 NEA-03 EUR-03 EA-03 AF-03 ISO-00
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DRAFTED BY:COM/OIER/KBARKER/MCM

APPROVED BY:EB/OCA/CD:WERAU

STATE/EB/OCA/CD:WERAU

STATE/RPE/RLAMANTIA (INFO)

EA/EP/DSTEBBING (INDO)

ARA/ECPA/WSKOK (INFO)

COM/OIER/FLHALL

NEA/RA/RPRICKETT (INFO)

AF/EPS/LMWHITE (INFO)

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R 090507Z JUN 78

FM SECSTATE WASHDC

TO ALL DIPLOMATIC AND CONSULAR POSTS

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FOLLOWING REPAET STATE 139822 SENT ACTION OTTAWA MEXICO
BRASILIA CARACAS BONN LONDON PARIS THE HAGUE ROME BRUSSELS
MADRID STOCKHOLM BERN TEHRAN JIDDA TEL AVIV LAGOS NEW DELHI
TOKYO SEOUL HONG KONG TAIPEI MANILA JAKARTA CANBERRA JUN 02.
QUOTE UNCLAS STATE 139822

E.O. 11652: N/A

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ALCOHOLIC BEVERAGE, MEAT, AND COCOA ARRIVALS. CHRISTOPHER UNQUOTE VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
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Current Classification: UNCLASSIFIED
Concepts: REPORTS, FOREIGN TRADE, TRADE DATA
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Copy: SINGLE
Draft Date: 02 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Enclosure: n/a
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Errors: N/A
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Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
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TAGS: ETRD, XG, XM, XF, NI, XC, XE, AS, US
To: OTTAWA MEXICO MULTIPLE
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20 Mar 2014
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